

State of Utah DEPARTMENT OF NATURAL RESOURCES DIVISION OF OIL, GAS AND MINING

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355 West North Temple
3 Triad Center, Suite 350
Salt Lake City, Utah 84180-1203
801-538-5340

October 25, 1989

Western Sulphur Equity Corporation 5916 West Pierce Phoenix, Arizona 85043

Dear Sirs:

Re: Notice of Intent to Conduct Mining Operations, Cina Mine Properties, Iron County, Utah

It has recently come to our attention that you are proposing to conduct sulphur mining operations on the old "Cina Mine" properties located in portions of Section 5, T31S, R15W, Iron County, Utah. Although you have filed a Notice of Intent with the BLM, State law also requires that mining-related activities be processed through this office. Enclosed is a copy of the State rules and regulations applicable to mining operations on all lands within the state of Utah. I have enclosed copies of our application forms to assist you in filing your notice with this office. A copy of the BLM notice may suffice, provided it contains all of the information required by our rules. If your present activity goes beyond 5 acres of surface disturbance (including access roads), you will need to file a Notice of Intent to Conduct Large Mining Operations, Form MR-LMO, and post a reclamation surety.

It is our understanding that the sulphur deposit within the vicinity of your proposed operations may contain significant proportions of metacinnabar/cinnabar. Please provide information regarding your processing and/or refining plans for the sulphur and how this might increase the likelihood of a release of mercury into the environment.

If you have any questions or need further assistance, please do not hesitate to contact me at 538-5340.

Sincerely,

D. Wayne Hedberg

Reclamation Supervisor/Permit Lead

jb Enclosure

cc: Paul Carter, BLM, Beaver River RA

Lowell Braxton

J. Brian Jackson

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